

ORDINANCE 2020-278

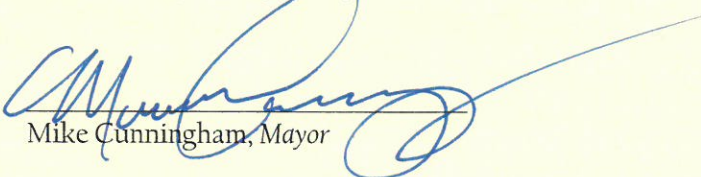
AN ORDINANCE OF THE CITY OF LAKELAND, TENNESSEE AMENDING
THE FISCAL YEAR 2019-2020 BUDGET, PASSED BY ORDINANCE 19-275

- WHEREAS, the City of Lakeland adopted the fiscal year 2019-2020 budget by passage of Ordinance 19-275 on May 19, 2019; and
- WHEREAS, the City of Lakeland Board of Commissioners adopted Ordinance 19-277 on September 11, 2019 amending the 2019-2020 property tax rate originally set in Ordinance 19-275; and
- WHEREAS, the City of Lakeland Board of Commissioners has adopted several Resolutions affecting budgeted expenditures since the passage of Ordinance 19-275; and
- WHEREAS, revenue and expenditure amounts in the General Fund, State Street Aid Fund, Debt Service Fund, Solid Waste Fund, and Sewer Fund are expected to differ from original projections; and
- WHEREAS, revenue and expenditure amendments have been approved by the Lakeland School System Board of Education for the General Purpose School Fund, School Federal Projects Fund, School Nutrition Fund, School Discretionary Grants Fund, and the School Capital Projects Fund.

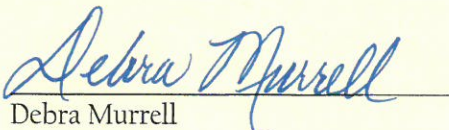
NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF LAKELAND, TENNESSEE THAT CHANGES BE MADE TO THE FISCAL YEAR 2019-2020 BUDGET AS FOLLOWS:

- SECTION 1. Ordinance 19-275 is hereby amended according to the attached budget amendment (Exhibit A).
- SECTION 2. The Board of Commissioners authorizes the Finance and Human Resources Director to make said changes in the accounting system.
- SECTION 3. This ordinance shall take effect immediately upon final passage.
- SECTION 4. All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

First Reading: December 12, 2019
Public Hearing: January 09, 2020
Final Reading: January 09, 2020


Mike Cunningham, Mayor

ATTEST:


Debra Murrell
City Recorder

2019-2020 BUDGET - CITY OF LAKE LAND	ORIGINAL BUDGET ORD 19-275 2019-2020	ACTUAL as of 11/20/19	PROPOSED AMENDMENTS 01/09/20	TOTAL BUDGET 2019-2020
CITY FUNDS				
General Fund				
<u>Revenue and Other Financing Sources</u>				
Property Tax	\$ 6,796,915	\$ 319,552	\$ (2,309,504)	\$ 4,487,411
Local Taxes (including sales tax)	1,487,100	293,070	-	1,487,100
Licenses and Permits	270,215	271,644	175,550	445,765
Grants	2,502,000	67,272	-	2,502,000
Intergovernmental	1,486,788	184,703	-	1,486,788
Charges for Services	265,000	190,165	152,000	417,000
Other Revenue	28,700	16,157	9,500	38,200
<u>Other Financing Sources:</u>				
Loan Proceeds	35,000,000	-	8,500,000	43,500,000
Transfer from School System Fund	700,000	-	-	700,000
Total	48,536,718	1,342,563	6,527,546	55,064,264
<u>Expenditures and Other Financing Uses</u>				
General Government	(1,405,604)	(485,618)	(97,622)	(1,503,226)
Public Works	(1,327,341)	(417,517)	(2,000)	(1,329,341)
Parks and Recreation (including Senior Center & IH)	(605,394)	(228,718)	-	(605,394)
Capital	(3,740,000)	(25,164)	(278,000)	(4,018,000)
<u>Other Financing Uses:</u>				
Transfer to Debt Service Fund	(6,760,073)	(436,162)	3,223,540	(3,536,533)
Transfer to School System Fund	(35,532,219)	-	(5,008,107)	(40,540,326)
Transfer to State Street Aid Fund	(466,913)	-	(32,058)	(498,971)
Total	(49,837,544)	(1,593,179)	(2,194,247)	(52,031,791)
Surplus (Deficit)	(1,300,826)	(250,616)	4,333,299	3,032,474
Use of (Increase to) Assigned/Committed Fund Balance	1,235,896	(27,410)	(1,415,854)	(179,958)
Increase - Restricted			(3,200,000)	(3,200,000)
Use of Unassigned Fund Balance (Prior Year Funds)	64,930	278,026	282,555	347,485
Net Planned Sources of Funds for Future Years	\$ -	\$ -	\$ -	\$ -
State Street Aid				
Revenue	\$ 435,051	\$ 81,709	\$ 7,949	\$ 443,000
Transfer from General Fund	466,913	-	32,058	498,971
Expenditures	(901,964)	(173,159)	(340,000)	(1,241,964)
Surplus (Deficit)	-	(91,450)	(299,993)	(299,993)
Use of Fund Balance (Prior Year Funds)	-	91,450	299,993	299,993
Net Planned Sources of Funds for Future Years	\$ -	\$ -	\$ -	\$ -
Debt Service				
Revenue	\$ -	\$ 19	\$ -	\$ -
Transfer from General Fund	6,760,073	436,162	(3,223,540)	3,536,533
Expenditures	(2,875,610)	(490,127)	(660,923)	(3,536,533)
Surplus (Deficit)	3,884,463	(53,946)	(3,884,463)	-
Use of Fund Balance (Prior Year Funds)	-	53,946	-	-
Net Planned Sources of Funds for Future Years	\$ 3,884,463	\$ -	\$ (3,884,463)	\$ -
Sewer Fund				
Revenue	\$ 1,995,700	\$ 1,142,871	\$ (2,000)	\$ 1,993,700
<u>Expenses</u>				
Personnel Expenses	(358,552)	(108,622)	-	(358,552)
Other	(1,050,350)	(258,743)	(1,170,000)	(2,220,350)
Total	(1,408,902)	(367,365)	(1,170,000)	(2,578,902)
Surplus (Deficit)	586,798	775,506	(1,172,000)	(585,202)
<u>Adjustments</u>				
Debt Principal Payments	636,000	-	(71,000)	565,000
Capital Expenditures	1,135,000	59,882	35,000	1,170,000
Depreciation Expense	(500,000)	-	-	(500,000)
Debt Proceeds	-	-	-	-
Change in Net Position	\$ 1,857,798	\$ 835,388	\$ (1,273,000)	\$ 584,798

* - Change in Net Position is only the sum of the net Deficit plus Capital Expenditures, as Debt Principal is not in Expenses above, and Depreciation is already in Expenses above.

2019-2020 BUDGET - CITY OF LAKELAND	ORIGINAL BUDGET ORD 19-275 2019-2020	ACTUAL as of 11/20/19	PROPOSED AMENDMENTS 01/09/20	TOTAL BUDGET 2019-2020
Storm Water				
Revenue	\$ 185,000	\$ 46,412	\$ -	\$ 185,000
Expenditures	(185,000)	(92,426)	-	(185,000)
Surplus (Deficit)	-	(46,014)	-	-
Use of Fund Balance (Prior Year Funds)	-	46,014	-	-
Net Planned Sources of Funds for Future Years	\$ -	\$ -	\$ -	\$ -
Solid Waste				
Revenue	\$ 1,231,560	\$ 309,328	\$ -	\$ 1,231,560
Expenditures	(1,796,428)	(425,527)	(10,000)	(1,806,428)
Surplus (Deficit)	(564,868)	(116,199)	(10,000)	(574,868)
Use of Fund Balance (Prior Year Funds)	564,868	116,199	10,000	574,868
Net Planned Sources of Funds for Future Years	\$ -	\$ -	\$ -	\$ -
LSS FUNDS				
General Purpose School Fund (School General Fund)				
Revenue	\$ 15,738,285	\$ 2,891,998	\$ 196,715	\$ 15,935,000
Transfer from General Fund	540,326	-	-	540,326
Expenditures	(16,278,611)	(5,035,133)	(672,890)	(16,951,501)
Transfer to General Fund	-	-	(700,000)	(700,000)
Transfer to School Nutrition Fund	-	-	-	-
Surplus (Deficit)	-	(2,143,135)	(1,176,175)	(1,176,175)
Use of Fund Balance (Prior Year Funds)	-	2,143,135	1,176,175	1,176,175
Net Planned Sources of Funds for Future Years	\$ -	\$ -	\$ -	\$ -
School Federal Projects (Federal Grants)				
Revenue	\$ 941,017	\$ 218,119	\$ 64,569	\$ 1,005,586
Expenditures	(941,017)	(277,746)	(64,569)	(1,005,586)
Surplus (Deficit)	-	(59,627)	-	-
Use of Fund Balance (Prior Year Funds)	-	59,627	-	-
Net Planned Sources of Funds for Future Years	\$ -	\$ -	\$ -	\$ -
School Nutrition (Cafeteria)				
Revenue	\$ 412,930	\$ 110,869	\$ 10,200	\$ 423,130
Transfer from General Purpose School Fund	-	-	-	-
Expenditures	(412,930)	(116,027)	(94,200)	(507,130)
Surplus (Deficit)	-	(5,158)	(84,000)	(84,000)
Use of Fund Balance (Prior Year Funds)	-	5,158	84,000	84,000
Net Planned Sources of Funds for Future Years	\$ -	\$ -	\$ -	\$ -
School Discretionary Grants (State Grants)				
Revenue	\$ 80,020	\$ -	\$ 28,710	\$ 108,730
Expenditures	(80,020)	(32,098)	(28,710)	(108,730)
Surplus (Deficit)	-	(32,098)	-	-
Use of Fund Balance (Prior Year Funds)	-	32,098	-	-
Net Planned Sources of Funds for Future Years	\$ -	\$ -	\$ -	\$ -
School LEAP (Lakeland Extended Activities Program - Before/After School Care)				
Revenue	\$ 261,300	\$ 43,590	\$ -	\$ 261,300
Expenditures	(261,300)	(69,788)	-	(261,300)
Surplus (Deficit)	-	(26,198)	-	-
Use of Fund Balance (Prior Year Funds)	-	26,198	-	-
Net Planned Sources of Funds for Future Years	\$ -	\$ -	\$ -	\$ -
School Capital Projects (Middle School Project)				
Revenue	\$ 400,000	\$ 1,488	\$ 974,164	\$ 1,374,164
Transfer from General Fund	-	-	40,000,000	40,000,000
Expenditures	(400,000)	(357,655)	(41,895,113)	(42,295,113)
Surplus (Deficit)	-	(356,167)	(920,949)	(920,949)
Use of Fund Balance (Prior Year Funds)	-	356,167	920,949	920,949
Net Planned Sources of Funds for Future Years	\$ -	\$ -	\$ -	\$ -
Net Transfers (Should Net to \$0)	\$ (34,291,893)	\$ -	\$ 34,291,893	\$ -

2019-2020 BUDGET - CITY OF LAKE LAND	ORIGINAL BUDGET ORD 19-275 2019-2020	ACTUAL as of 11/20/19	PROPOSED AMENDMENTS 01/09/20	TOTAL BUDGET 2019-2020
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DETAIL OF PROPOSED AMENDMENTS BY INDIVIDUAL LINE ITEM:**General Fund****Property Tax**

The budget for property taxes requires amendment as the original budget was set at a preliminary property tax rate of \$1.89, whereas the final property tax rate was set at \$1.24. The amended budget reflects expected FY 2020 property tax collections.

Real Property Taxes (Current)	\$ 3,831,473	\$ 105,211	\$ (2,279,281)	\$ 1,552,192
Personal Property Taxes (Curre	51,702	1,928	(33,507)	18,195
Property Tax - Schools	540,326	37,958	979	541,305
Utility Tax (TPSC)	10,000	85	(2,168)	7,832
School Property Tax Reserves	360,218	25,293	363	360,581
Delinquent Property Tax	12,000	7,277	629	12,629
Property Tax Penalty & Interes	10,000	2,654	615	10,615
Special Property Tax - School	1,981,196	139,147	2,866	1,984,062
	<u>\$ 6,796,915</u>	<u>\$ 319,552</u>	<u>\$ (2,309,504)</u>	<u>\$ 4,487,411</u>

Licenses and Permits

Licenses and permits requires amendment due to the YTD development-related fees collected for The Lake District and Lakeland Commons, as well as the remaining expected collection of fees in FY 2020 from Lakeland Meadows and Oakwood Grove Phases 3 & 4.

Insp/Engineer Review Fees	\$ 85,700	\$ 79,667	\$ 48,300	\$ 134,000
Drainage Control Fee	55,000	39,178	29,200	84,200
Park Improvement Fees	14,200	69,569	64,400	78,600
Cell Tower Fee	-	2,000	2,000	2,000
Admin Fees For Developments	14,300	7,720	2,700	17,000
Tree Removal Fee	-	8,861	10,400	10,400
GIS Mapping Fees	7,250	18,128	15,250	22,500
Misc Permits	1,500	375	3,300	4,800
Detail lines not changed	92,265	46,146	-	92,265
	<u>\$ 270,215</u>	<u>\$ 271,644</u>	<u>\$ 175,550</u>	<u>\$ 445,765</u>

Charges for Services

Charges for services requires amendment due to the YTD development-related fees collected for The Lake District and Lakeland Commons, as well as the remaining expected collection of fees in FY 2020 from Lakeland Meadows and Oakwood Grove Phases 3 & 4. Additionally, youth basketball fees have exceeded original budget YTD.

Payment In Lieu Roads	\$ -	\$ 41,622	\$ 83,000	\$ 83,000
Developer Fees For Parkland	20,000	30,531	64,000	84,000
Youth Basketball Fees	33,000	35,878	5,000	38,000
Detail lines not changed	212,000	82,134	-	212,000
	<u>\$ 265,000</u>	<u>\$ 190,165</u>	<u>\$ 152,000</u>	<u>\$ 417,000</u>

Other Revenue

Amendments to other revenue are related to 1) court fines not originally budgeted, 2) interest earned on CDs greater than expectations, and 3) grant/loan receipt included on original detailed budget but not carried forward to the summarized ordinance.

City Court Fines & Fees	\$ -	\$ 1,100	\$ 1,500	\$ 1,500
Interest From CDs	12,000	6,120	7,000	19,000
TLDA Loan - Beverle Rivera	-	-	1,000	1,000
Detail lines not changed	16,700	8,937	-	16,700
	<u>\$ 28,700</u>	<u>\$ 16,157</u>	<u>\$ 9,500</u>	<u>\$ 38,200</u>

General Government Expenditures

Trustee collection fee increase due to Shelby County property tax rate change work approved by BoC in November. St. Jude Dream Home contribution approved by BoC in November. Accounting and auditing services increase due to interim finance director work. Court salaries and related FICA expense understated in original budget.

GOV - Bonus Pay	\$ (13,217)	\$ -	\$ (18,300)	\$ (31,517)
GOV - FICA (Employer's Share)	(11,841)	(4,227)	(1,400)	(13,241)
GOV - Retirement	(5,610)	(2,153)	(325)	(5,935)
GOV - Trustee Collection Fees	(22,000)	(3,036)	(18,700)	(40,700)
GOV - Accounting & Auditing Se	(32,000)	(13,978)	(3,000)	(35,000)
GOV - Contracted Service (Flock cameras)	(65,000)	(41,117)	(40,000)	(105,000)
St Jude Dream Home	-	-	(11,050)	(11,050)
CRT - Salary	-	(1,500)	(4,500)	(4,500)
CRT - FICA (Employer's Share)	(276)	(192)	(347)	(623)
Detail lines not changed	(1,255,660)	(419,415)	-	(1,255,660)
	<u>\$ (1,405,604)</u>	<u>\$ (485,618)</u>	<u>\$ (97,622)</u>	<u>\$ (1,503,226)</u>

2019-2020 BUDGET - CITY OF LAKE LAND	ORIGINAL BUDGET ORD 19-275 2019-2020	ACTUAL as of 11/20/19	PROPOSED AMENDMENTS 01/09/20	TOTAL BUDGET 2019-2020
Public Works Expenditures				
EDGE grant previously approved by BoC requires budget amendment. Further, in the original budget ordinance capital outlay related to the gateway signs line item was misclassified as public works expenditure rather than capital outlay. Remaining \$1 is rounding.				
ECD - EDGE Grant	\$ -	\$ -	\$ (30,000)	\$ (30,000)
Gateway signs grant misclassified in original ordinance	(28,000)	-	28,000	-
Detail lines not changed	<u>(1,299,341)</u>	<u>(417,517)</u>	<u>-</u>	<u>(1,299,341)</u>
	<u>\$ (1,327,341)</u>	<u>\$ (417,517)</u>	<u>\$ (2,000)</u>	<u>\$ (1,329,341)</u>
Capital Expenditures				
In the original budget, \$50k of grant revenues were budgeted without related budgeted capital outlay. Additionally, the BoC approved expenditure of \$200k for the dog park project from fund balance. Further, in the original budget ordinance capital outlay related to the gateway signs line item was misclassified as public works expenditure rather than capital outlay.				
PRK - Dog Park Project	\$ -	\$ -	\$ (250,000)	\$ (250,000)
Gateway signs grant misclassified in original ordinance	-	-	(28,000)	(28,000)
Detail lines not changed	<u>(3,740,000)</u>	<u>(25,164)</u>	<u>-</u>	<u>(3,740,000)</u>
	<u>\$ (3,740,000)</u>	<u>\$ (25,164)</u>	<u>\$ (278,000)</u>	<u>\$ (4,018,000)</u>
Transfer to State Street Aid				
Transfers to the SSA fund are reduced due to budgeted amendment of State Shared Revenues in the SSA fund.				
Transfer to State Street Aid Fund	<u>\$ (466,913)</u>	<u>\$ -</u>	<u>\$ (32,058)</u>	<u>\$ (498,971)</u>
Debt-Related Amendments				
Whereas in the original budget for City funds, proceeds, principal, and interest were budgeted for the interim financing of the LSS high school project, the related transfers were not in the original budget presented for LSS to the BoC. Further, some of the budgeted items on the detail line-item budget were not summarized/included in the amounts on the summarized original ordinance table. The LSS maintenance of effort payment did not match in the original budget between the City and LSS funds. Finally, interest and fees in the debt service fund request amendment related to more up-to-date interest and fee information.				
General Fund:				
Loan Proceeds	\$ 35,000,000	\$ -	\$ 8,500,000	\$ 43,500,000
Transfer to Debt Service Fund	(6,760,073)	(436,162)	3,223,540	(3,536,533)
Transfer to School System Fund				
Maintenance of Effort	(532,219)	-	(8,107)	(540,326)
Debt Proceeds	<u>(35,000,000)</u>	<u>-</u>	<u>(5,000,000)</u>	<u>(40,000,000)</u>
Subtotal	<u>(35,532,219)</u>	<u>-</u>	<u>(5,008,107)</u>	<u>(40,540,326)</u>
Debt Service Fund:				
Transfer from General Fund	6,760,073	436,162	(3,223,540)	3,536,533
Expenditures				
Interest - 2004 TMBF #50236	(10,000)	(4,493)	(5,486)	(15,486)
Interest - 2008 TMBF #50538	(40,000)	(15,560)	(18,881)	(58,881)
Interest - TLDA Beverle Rivera	(25,000)	(9,268)	(2,684)	(27,684)
Interest - Shelby County School	(2,209)	(2,209)	272	(1,937)
Interest - 20M CONs, Series 20	(759,650)	(379,825)	(4,750)	(764,400)
Interest - 2019 BAN	-	-	(328,494)	(328,494)
Loan Fees and Issuance Costs - 2019 BAN	-	-	(300,000)	(300,000)
Loan Fees - CON Series 2015	(300)	(400)	(900)	(1,200)
Detail lines not changed	<u>(2,038,451)</u>	<u>(78,371)</u>	<u>-</u>	<u>(2,038,451)</u>
	<u>(2,875,610)</u>	<u>(490,127)</u>	<u>(660,923)</u>	<u>(3,536,533)</u>
LSS General Purpose School Fund:				
Transfer to General Fund	-	-	(700,000)	(700,000)
LSS School Capital Projects Fund:				
Transfer from General Fund	-	-	40,000,000	40,000,000

2019-2020 BUDGET - CITY OF LAKE LAND	ORIGINAL BUDGET ORD 19-275 2019-2020	ACTUAL as of 11/20/19	PROPOSED AMENDMENTS 01/09/20	TOTAL BUDGET 2019-2020
State Street Aid Fund				
Revenues				
Amendment proposed to properly reflect the revenue sources and current trend of income.				
TN Gas/Fuel Tax	\$ 300,185	\$ 41,623	\$ (60,185)	\$ 240,000
State Gasoline Inspection Fee	47,856	6,769	(10,856)	37,000
State Emergency Street Fund	87,010	12,543	(15,010)	72,000
TN Gas Improve Tax	-	20,774	94,000	94,000
	<u>\$ 435,051</u>	<u>\$ 81,709</u>	<u>\$ 7,949</u>	<u>\$ 443,000</u>

Transfer from General Fund - see above in the General Fund section.

Expenditures

Amendment for BoC approved increase to road repairs.

STR - Repair & Maintenance Road	\$ (450,000)	\$ (51,982)	\$ (340,000)	\$ (790,000)
Detail lines not changed	(451,964)	(121,177)	-	(451,964)
	<u>\$ (901,964)</u>	<u>\$ (173,159)</u>	<u>\$ (340,000)</u>	<u>\$ (1,241,964)</u>

Solid Waste Fund

Expenditures

Bulk waste usage has increased, resulting in higher than anticipated litter control expenditures.

SDW - Litter Control	\$ (10,000)	\$ (5,421)	\$ (10,000)	\$ (20,000)
Detail lines not changed	(1,786,428)	(420,106)	-	(1,786,428)
	<u>\$ (1,796,428)</u>	<u>\$ (425,527)</u>	<u>\$ (10,000)</u>	<u>\$ (1,806,428)</u>

Sewer Fund

There were significant errors in the original ordinance summary of Sewer Fund activities for the budget ordinance. The summary did not accurately pick up all detailed line items in the detailed line item budget; therefore, most of the changes on the summary above are related to correcting the summarization. The only true amendment is to increase capital expenditures by \$35,000 for motive pump repairs previously approved by the BoC.

LSS Funds

All amendments above for the LSS Funds have been previously approved by the Lakeland Board of Education.